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# UNITLD STATES DEPARTMENT OF AGRICULTURE Extension Service Washington 25, D. C.

SUMMARY OF EXTENSION SERVICE-BUREAU OF AGRICULTURAL ECONOMICS SEMINAR ON AGRICULTURAL OUTLOOK AND AGRICULTURAL POLICY
Washington, D. C., May 9, 1947
M. L. Wilson, Presiding

Troductory Statement. This seminar on Agricultural Outlook and Agricultural by till represents a continuation and further development of cooperative work on matters that have long been of mutual interest to the Bureau of Agricultural Economics and the Extension Service.

The importance of both research and education in outlook has steadily increased since those early beginnings nearly three decades ago. In many respects this development is a reflection of the growth of our agriculture and of the great advances made by farmers both as producers and as citizens.

In this advance farmers have become more interested in agricultural policy issues, and since educational work in agricultural policy is related at many points to educational work in outlook this seminar discussion covers ground important in both fields.

We in Extension are very glad to have this opportunity to meet with representatives of the Bureau of Agricultural Economics, and we are going to ask them to lead off with whatever they care to say regarding the general agricultural situation, the emerging agricultural policy issues, and the outlook and other work they are doing that is of mutual interest to us all.



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# THE AGRICULTURAL SITUATION, AS RELATED TO CURRENT DISCUSSIONS IN THE AGRICULTURAL POLICY FIELD - SPRING OF 1947

By O. V. Wells Chief, Bureau of Agricultural Economics

To obtain any real understanding of the current stream of discussions relating to agricultural policy, we need to consider the environment in which these discussions are set. That is, we need to look at the current agricultural situation and some of the questions which are now in the minds of farmers and their representatives as they look ahead.

Farmers generally are now as well or better off than they have been at any time since at least 1910-14.1/ The average index of prices received by farmers was 276, basis 1910-14 = 100, as of April 15, and since last fall farm prices have been running about  $2\frac{1}{2}$  times the average for the 5 prewar years, 1935-39. Realized net income of farm operators was estimated at slightly more than 15 billion dollars for 1946 and this compares with an average realized net income of almost 5 billion dollars for 1935-39 and something more than 9 billion dollars in 1919, the record year following World War I. The estimated value of the farm business is now in excess of 100 billion dollars while mortgage indebtedness has been steadily reduced until it is now not much in excess of 5 billion dollars as compared with the record of over 10 billion dollars outstanding in 1921.

Meanwhile, average per capita food consumption in the United States itself is running some 16 percent above the average for 1935-39 while it is now apparent that the foreign demand for wheat and other agricultural commodities from this country is still continuing at an extremely high level. At the same time the fear that the commitment to support certain agricultural prices at not less than 90 percent of parity, as provided by the Steagall Amendment and related legislation, would cost the Government enormous sums, has subsided. In fact, there is some current concern as to whether support prices are contributing to the high cost of living. This is rather difficult to understand, since farm prices averaged about 120 percent of the parity level as of April 15.

In view of this current situation, the question may well be asked as to why there is so much current interest in agricultural policy and so many discussions as to what lies ahead. Each of the farm organizations, for example, is at work in this field; the Secretary of Agriculture has started a whole series of studies in the Department; and the House Agriculture Committee, under the chairmanship of Congressman Clifford Hope, officially opened hearings on the general farm program April 21, 1947.

I/ It must be understood that business and labor are also doing very well. Preliminary estimates indicate that corporation profits for 1946—after taxes—were over 3 times the average for the prewar years 1935—39, while current indications are that they have run at as good a rate for the first quarter of 1947. Again, one of the most recent releases of the Department of Labor indicates that average weekly earnings of factory workers are running at some \$47.47 per week, or within 3 cents per week of the record high established during the war period itself, despite the fact that most overtime has been cut off and despite the fact that the average length of workweek has been reduced by about 5 hours as compared with the end of the war period.

To some extent this current interest is, of course, tied in with the fact that the commitments under the Steagall Amendment and related legislation only run through December 31, 1948. There are, however, some other reasons which also need to be remembered. These are:

- (1) Farmers and those who work in the farm field remember all too well what happened in 1921, 1930-32, and 1938. That is, in general whenever economic breaks have come, farm prices have dropped first, they have dropped fastest, and they have stayed down longest. Farm prices dropped a little more than 50 percent within the 12 months running from the early summer of 1920 to the summer of 1921. Again, when prices turned in the fall of 1929, farm prices fell steadily until the summer of 1932, at which time they were only 40 percent of the rather moderate level prevailing in the fall of 1929. Again, following the severe droughts of 1934 and 1936, farmers saw a good crop in 1937 and a relatively minor business decline force farm prices down by about 25 percent between the summer of 1937 and 1938.
- (2) A great many business prices, as well as a great many wage rates, in our current economy are "administered" or "semi-fixed." That is, to a considerable extent American business operates with administered or semi-administered prices which tend to be relatively inflexible, and to an increasing extent this is, of course, true in the wage field. This raises a real question as to the returns which farmers can expect unless they can also look forward to at least as much aid and assistance from their government as is given business and labor. This does not mean farmers are interested in simply receiving Government checks or direct financial aid but rather that they are interested in seeing that the rules of the game are so set that they have an equal chance with business and labor.
- (3) Farm production has increased about one-third since 1935-39 and further increases can be realized if farm prices are maintained at an attractive level, assuming weather continues to average as good as it has since about 1941. A very large part of this increase has been due to trends in farm technology—to the shift from horses to tractors; to the use of hybrid seed corn, new varieties of oats, better livestock, etc.; and to conservation activities and the use of fertilizer. Farm technology is a one-way track.

These three factors then—the memory of what has happened over the last 25 years or so, the realization that a great many non-farm prices and wage rates are administered or semi-administered, and the prospect that the recent increase in agricultural production will be maintained—are all factors which condition and give real weight to current discussions of agricultural problems and the kind of policies which need to be worked out for the years ahead.

#### OUTLOOK WORK

By Bushrod W. Allin
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One of the most important functions of the Bureau of Agricultural Economics is the interpretation of agricultural statistics and other economic data in their relation to the current situation and outlook. The results of this work are published periodically (monthly in most cases) in some twenty different Situation reports. The key report, known as the Demand and Price Situation, deals with agriculture and the economy generally. Most of the others treat the problems affecting particular commodities or groups of commodities such as wheat, cotton, feed, and livestock. In addition, there are reports concerned with other subjects such as the Farm Real Estate Situation.

Each of these reports contains not only the latest pertinent statistical information, including comparisons with previous years, but also forecasts of what the Bureau economists expect to happen in the light of their analysis of past trends and current developments. One of the purposes is to put in the hands of farm people the best information available on present and future markets for farm products, and thus see to it that farmers suffer no disadvantage in the conduct of their business because of lack of economic information.

That public appreciation of this service is growing is revealed by the increasing number of requests for copies of the reports. They are mailed only to people who request them. Between January 1946 and January 1947 our mailing list increased 42 percent. In a period of decreasing governmental budgets, this increasing demand for service poses a real problem in which the Bureau and the Extension Service have a very great mutual interest.

One suggestion for dealing with this problem is to meet the growing number of requests by substituting about four pages of "high lights" of the Demand and Price Situation for the customary fuller treatment of 15-20 pages. The more detailed document would still be produced in restricted quantities, especially for technical workers, but wider dissemination of its principal contents would be achieved by the much abbreviated form.

Regardless of how this particular problem is handled, the principal channels through which outlook and situation materials are released to farmers will continue to be the radio, newspapers, farm papers, Extension editors, Extension economists, and other Extension workers.

Other recent developments in outlook work include the publication semi-annually of the Farm Cost Situation. Two issues of this report have appeared thus far, one last September and the other in March of this year. The Farm Cost Situation gives unified and comprehensive treatment to an important farm problem.

Still another change was the Secretary's establishment about eighteen months ago of the Outlook and Situation Board. The growth of operating agencies in the Department during the past ten or fifteen years, and the necessity for extensive use of economic data by these agencies in connection

with their operations, created new sources of information. Though outside the Bureau of Agricultural Economics, the operations of these agencies nevertheless became highly significant in connection with outlook work. To insure the best possible technical review of all outlook and situation materials issued by any agency of the Department, the Board was established with a membership drawn from all agencies of the Department having both a special interest in and a special competence for reviewing such materials.

The Chairman and Secretary of the Board are members of the staff of the BAE, and review all reports. Other membership of the Board changes in accordance with the subject under discussion. Altogether more than 100 different people in the Department participate in these reviews. A procedure is provided by which a deadlock on the Board can be broken by majority vote, but throughout its eighteen months of life there have only been two or three occasions when any voting was necessary. It is clear that the Board has rendered a real service in both clarifying and fortifying the output of situation and outlook material.

To this point, attention has been directed to the two problems of broadening distribution of trend and situation data, and of maintaining the highest possible standards of technical accuracy. There remains another vital problem of improving and broadening the application of this type of information to individual farm and home planning, as distinguished from mere distribution of it. This means discussing with farmers not only the general significance of outlook and situation material, but also its application to typical farm situations. Some work of this sort is now being done by many Extension workers. Could the scope and intensity of it be expanded? The application of outlook information in individual farm planning involves the study of present farm organization and the projection of desirable future changes. This is an important aspect of any production adjustment and requires the closest possible collaboration between Extension and research workers.

If this work were done on a broad scale and in a uniform manner, one of its incidental values would be to provide a better basis for estimating in advance the possible effect on production of specific Government programs or price policies.

Since the Extension Service is the official educational agency of the Department and is charged with the major responsibility of getting agricultural information to the Nation's six million farmers, it has fully as great an interest as the Bureau in some of the matters discussed here; and the Bureau is anxious to get any suggestions Extension workers have for improving the effectiveness of outlook work.

Most farmers make plans for the future. They like to size up the situation and look ahead as best they can in deciding what crops to grow, what livestock to keep, what systems of farming to follow, what products to market, and what prices and income to expect. In doing this they need many types of information, not only on the production possibilities of their own farm, but also upon the prospective demand and supply situation likely to be encountered in producing and marketing the products of the year.

#### OBJECTIVES

The general Nation-wide objective, is therefore, an educational one of providing farm people with information on prospective economic developments. Mostly this information concerns things beyond the individual farmer's line fences. It is designed to aid farm families in making decisions regarding the economic aspects of their individual farm business and family living. At the same time it is designed to aid them with group decisions they make jointly with other farm families in the community, in the type-of-farming area, or in the Nation as a whole.

From the Federal viewpoint, our objective is to work with the State colleges and the Department of Agriculture bureaus, particularly the BAE, and other agencies, as part of a cooperative effort to achieve this general objective. In doing this we pay particular attention to facilitating an exchange of subject matter and information on educational methods between States and to assisting States with regional and national materials and information not readily available to them within their own boundaries.

Since outlook work involves close cooperation between research and extension workers, and between the States and the Department, and since the whole effort finds expression in State programs, it is desirable that both federal and State activities be discussed together. This procedure is followed throughout this paper.

# HISTORICAL NOTE

The cooperation upon which outlook work is based is of long standing. April 1923 is generally regarded as the beginning of a continuous outlook program within the Department of Agriculture, although some work had been done earlier. In 1923, the first Agricultural Outlook Report was prepared under the leadership of Henry C. Wallace, then Secretary of Agriculture, and Dr. H. C. Taylor, of the then newly created Bureau of Agricultural Economics. Representatives of several State land-grant colleges participated in this pioneer work. The report for 1923 and another for 1924 were so favorably received that the work was organized on a permanent basis and more States began to take part.

From these early beginnings the cooperative effort of the Department of Agriculture, the State experiment stations, and the State extension services in outlook work, has developed to a point where outlook information is featured

<sup>1/</sup> Prepared by Federal Extension economists for presentation before seminar with BAE, May 9, 1947.

in educational programs in all States and has become an essential part of a great many extension activities. In this development the scope of the work has been broadened beyond the original emphasis upon the prospective supply and demand situation as such to include more information regarding the things that make up supply and the things that make up demand. More attention is also devoted to the short-time seasonal market outlook, the longer-time outlook, and to outlook as a feature of family living economics. Recently, outlook workers have given more attention to information on agricultural policy issues that have to be taken into account in sizing up the future.

#### TYPES OF INFORMATION

Geographically, the United States is a big and varied country. Farmers today operate under a wide variety of conditions. They need a wide variety of outlook information, depending upon the type-of-farming region, the market area, and the season of the year. For this reason the States, taken altogether, cover a wide range of subject matter in their outlook work. Always keeping in mind this wide range, it is still possible to group most of this subject matter under seven general headings. Usually it is necessary to bring together information from several or all of the following seven categories in order to present a well-rounded outlook picture to farmers.

#### The General Economic Situation and Outlook

This concerns such things as the level of national income; the labor force, employment, and wages; the general price level; the level of business activity; savings and the use of savings; national financial and fiscal affairs general credit policies; and foreign demand and trade.

This information is a part of the work in all States. It is usually treated briefly but prominently. The emphasis is not upon general economics factors as such but upon their significance in the agricultural outlook.

# Agricultural Prices and Farm Income Outlook

The price situation and prospect; prices received and prices paid by farmers; gross farm income and net farm income; the relation between agricultur and nonagricultural prices; and price supports and other price-influencing measures are important in the work in all States. Considerable attention is devoted to prospective prices and income and to related supply and demand factors.

# Individual Commodity Outlook

This concerns the production, supply, demand, marketing, and price prospects for <u>individual</u> commodities. More outlook work is done by commodities than in any other way. Year to year prospects are stressed, but some attention is also given to long-run possibilities. Much of this work is carried on in cooperation with production and commodity marketing specialists.

# Agricultural Production Outlook

This includes prospective production changes likely to result from anticipated changes in demand and prices; from anticipated changes in the conservation of natural resources; and from anticipated changes in production technology. Information on the prospective supply and cost of farm machinery, 606 (6-47)

fertilizer, insecticides, seed, feed, lumber and other building supplies, and on the prospective farm labor situation and wages is a part of the production outlook.

This is a major line of outlook work. Production practice, conservation, and farm management recommendations are frequently combined with the strictly outlook materials. The major emphasis is upon the short-run, but much attention is devoted to long-run considerations.

#### Agricultural Marketing Outlook

Prospective marketing changes likely to result from anticipated changes in production, demand, and prices. Effect of changes in the amount and type of marketing facilities and services available; of changes in processing, transportation, and other technology; and of changes in business organization and management practices. Information on regulations and laws is given an important place.

This is another major category of outlook work. In many respects agricultural production and agricultural marketing outlook complement each other.

#### Land Value and Farm Finance Outlook

Most States emphasize information on the farm land market situation and trends with some discussion of future possibilities and prospects. This line of work is emphasized throughout the year.

Outlook work on credit and farm finance receives attention; availability of loans used to be emphasized; now extent to which credit can be used soundly comes in for more consideration.

# Agricultural Policy Issues

In many instances subject matter of the foregoing types is developed in a form useful as factual background for identifying and discussing policy issues. Information on already established policy is usually handled as a logical part of outlook. In addition, a number of States are developing economic information that is useful to farm people in going beyond outlook to anticipate and consider possible policy measures before they are selected and adopted. Examples of this are found in the educational work regarding future production prospects, agricultural price relationships, and foreign trade possibilities.

# WORKING RELATIONS LITH THE BUREAU OF AGRICULTURAL ECONOMICS

Subject-matter materials of the types already discussed are developed from many sources by the Bureau of Agricultural Economics, the State experiment stations, and the State extension services.

The annual National Outlook Conference is jointly sponsored by the Federal Extension Service, the Bureau of Agricultural Economics, and the Bureau of Human Nutrition and Home Economics, working in cooperation with representatives of the States. Extension Service and BAE personnel work together in conferences and committees. The BAE cooperates closely in supplying materials for all State and county personnel who wish to receive reports such as the Monthly Agricultural Situation, the Annual Outlook Chart Book, and the Price Situation, the Wheat

Situation, the Dairy Situation, and other periodical releases. BAE personnel frequently assist extension workers in the preparation and presentation of outlook materials, and extension workers relay to the Bureau many research and statistical problems they encounter in the field.

Although BAE is the principal Department agency supplying research and statistical materials for agricultural outlook work, several other agencies supplimportant information and take an active part in outlook programs. These include the Bureau of Human Nutrition and Home Economics mentioned before, the Farm Credit Administration, the Office of Foreign Agricultural Relations, the Production and Marketing Administration, and others. Outlook information, as such, is widely used in connection with all programs carried on with farm people.

#### PROCEDURE AND METHODS

The preparation and the dissemination of outlook information are continuous activities both in the States and here in the Federal Extension Service. Here in Washington extension farm management and marketing economists make outlook a part of their regular work. They maintain close contacts with the BAE and other agencies to assist in the development of materials and to facilitate the flow of timely information to the States. They pay particular attention to materials on the regional, national, and international aspects of outlook that are not readily available within the States' own boundaries. They also pay particular attention to facilitating an exchange of subject matter and information on methods between States. They travel to the States, where, along with other duties, they work directly with State extension economists and others in the preparation of materials and the training of workers for carrying on outlook education as a part of State and county programs.

The States very in the methods and cooperative procedures used in developing and carrying on the work. Usually they employ some combination of outlook reports, press and radio releases, and meetings.

# Outlook Reports

The first and most important step in the dissemination of outlook information is the preparation of State and area reports. The annual outlook report is commonly prepared in two forms: (a) The detailed and rather comprehensive report for leader training and guidance and (b) the brief and popular leaflet form which highlights the most pertinent information for farm people. Both of these types of reports have their place in an educational program and neither can well substitute for the other.

# Press and Radio

Closely associated with these State reports are the press releases and radio talks prepared to reach large numbers of farm people. Extension workers find these media a very effective means of reaching farm people with the broader implications of the outlook.

# Meetings

Meetings are used widely as a means of preparing leaders to handle outlook information and to acquaint farm people with the outlook and its bearing on the farm business. Many States follow the practice of calling meetings of State

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college workers and representatives of Federal and State agencies interested for the purpose of outlook situation analysis. At such meetings, emphasis is given to adapting outlook information to conditions within the State. Subject-matter specialists, with their background of information and experience, make valuable contributions to the outlook, particularly with regard to its application to farm commodities. Many States also take advantage of their annual extension conference as an opportunity to familiarize all workers with the outlook.

After the preparation of outlook statements and meetings of State personnel, many States hold a series of area or district meetings to inform and train county workers in the presentation of outlook material. These are usually 1-day meetings, and State extension specialists and supervisors cooperate in conducting them. County workers, with some assistance from specialists and district supervisors, conduct county and community meetings following the district meetings. Some of these are conducted as outlook meetings; many, however, take the form of special interest or commodity meeting for farm people where outlook information is discussed along with other subject matter. They may be announced, for instance, as dairy, cotton, tobacco, or nutrition meetings and the outlook discussed as it pertains to the particular problem of immediate interest. Thus, subject-matter specialists, supervisors, county workers, and farm leaders all are familiarized with and participate in the dissemination of outlook. Tied in this way with all types of subject matter and programs, outlook information is used throughout the year when and where it is most applicable.

#### The Use of Agricultural Outlook Information in Extension Activities

The summary of State extension work for 1945 formally reports the use of outlook information in nearly 2,000 of the approximately 2,950 counties in which some phase of extension work was established. All uses of outlook may not be reported, since, as stated earlier, this information has become an essential part of a great many extension activities.

For example, it is used in helping farmers plan crop and livestock production programs, livestock feeding programs, and farm work programs, and also for aiding them with longer-time changes in their systems of farming.

Guidance to rural young people, veterans, and others, who are looking for opportunities in farming, is in part based on outlook. So is work with Young Farmers' Clubs. 4-H Clubs often include it in their programs.

The valuation of farm land and work with farmers on the wise use of production credit calls into use the best available information on future prospects. So does work with landlords and tenants on better leases.

Educational aid to marketing cooperatives includes much outlook information. It is also emphasized in work with marketing agencies in general.

It is given a prominent place in discussion materials prepared for farmer groups interested in agricultural prices and other national agricultural problems.

Farm homemakers' clubs include the study of agricultural outlook in their programs to help explain farm income as a factor in farm family living.

It has an essential place in area or regional programs, such as the one for the Cotton South.

Farm and home planning work with individual farm families includes the use of outlook information. So does work with county and community groups getting together background information, sizing up future prospects, and deciding upon desirable production adjustments, marketing adjustments, and land use changes.

A great amount of outlook work is done as a part of Extension's contribution to action programs of Federal and State agencies. Work in connection with production goals, inflation control, resource conservation, price ceiling and support programs, and marketing programs, are a few examples.

In addition, a great many other agencies and groups cooperate with the Extension Services in holding discussions on the outlook. These include production credit associations, national farm loan associations, vocational agriculture teachers, women's clubs, State agricultural planning committees, agricultural bankers' associations, national farm organizations, veterans' organizations, businessmen's associations, and many others.

#### SOME PROSPECTIVE TRENDS

Several prospective developments are likely to increase the need for outlook information.

The economic problems of individual commodities will probably receive increased attention from both farmers and public agencies in the near future. Commodity outlook will be important but other types of outlook information will also be needed.

Marketing problems as a whole will become more prominent because of changes from wartime conditions and because these problems are likely to receive more attention under the Agricultural Research and Marketing Act. Both subject matter for, and opportunities for outlook work in marketing, will be increased.

Consumption of agricultural products and related consumerinterest matters will probably receive increased recognition during the next decade.

Production adjustment problems are likely to demand increased attention in the near future. Farm people are likely to maintain their interest in production and in the utilization of new technology and at the same time want to know more about the longer-time outlook for production shifts among commodities and between types of land use.

Conservation of natural resources will become more and more important. In conservation work there is need for "land utilization and conservation outlook" information that will serve as a guide in establishing conservation objectives.

The income position of farmers will surely become a very live topic within the next year or two. This will call for increased use of information on the general price and income outlook for all farmers and on the costs—and—returns outlook for individual groups of producers.

Rural young people will need more help in sizing up the longerrun outlook for agriculture and the opportunities available in different types of farming. Perhaps outlook information can be made an important part of an expanded guidance program for many rural people who need to seek better opportunities either within or outside of agriculture.

The general economic situation and outlook regarding our domestic economy and foreign trade and regarding international economic affairs will undoubtedly continue to be of vital interest to farm people and a necessary part of all outlook work.

Agricultural policy problems are likely to be more acute. One or more policy issues are likely to emerge as a part of each development described above. Good situation and outlook information is essential as a basis for educational work on these policy issues. But outlook information alone is not enough. In each case additional information is needed that will permit the appraisal of the economic consequences of alternative courses of policy and program action before policy is decided upon.

Land value and credit problems are likely to become more acute as agricultural prices and farm incomes level off. Current emphasis upon the land value situation and outlook should be maintained and work on credit and farm finance could well be increased.

#### EXTENSION AND RESEARCH OPPORTUNITIES

Prospective developments such as the preceding would open up additional opportunities for research and educational work in agricultural outlook.

For Extension there would be opportunities for:

- 1. The development of more precise, more scientific extension subject matter in each outlook field.
- 2. The further broadening of outlook work to include more fields. Special attention might be given to situation and outlook information essential as a first step in educational work on agricultural policy issues.
- 3. Continued attention to the expanded use of outlook information as an integral part of many extension activities.
- 4. Increased attention to maintaining a well-coordinated system of outlook information. To illustrate: Individual commodity outlook is very important, but to be most useful it needs to be well correlated with outlook information on over-all marketing prospects and with outlook information on over-all production prospects.
- 5. Increased attention to the appraisal and improvement of methods used in disseminating outlook information.

Research work is, of course, the foundation on which all extension work in outlook must be based. Many lines of research contribute materials. Some examples of additional work needed are listed below.

- 1. The analysis of marketing costs in relation to trends in the business organization and management of facilities and services.
- 2. The analysis of shifts in consumption, consumer preferences, and utilization of agricultural products.
  - 3. The analysis of farm income, particularly by areas.
- 4. The development of local area information on production and farm organization trends and prospects for use in developing a more localized, more precise "adaptation" of national and regional outlook information.
- 5. The further development of situation and outlook information on land utilization and conservation.
- 6. The further development of outlook and situation information that will be useful in educational work on agricultural policy problems.
- 7. The further development of situation and outlook information on a regional basis.

The discussion of some prospective trends indicates that farmers are going to need more outlook information on a good many subjects. The discussion of possible opportunities in extension and research, though incomplete, suggests many possibilities for improving outlook work. These are of mutual interest to the Department and to the States, to research and extension workers. Near the beginning of this statement the cooperative working relation in outlook between the Department and the States and between the Bureau of Agricultural Economics and the Extension Service were described in some detail. Many excellent working arrangements exist; more can be developed. More joint discussions of agricultural problems facing farmers, and of research and extension programs, are needed. The great difficulty is to find time for these important survey and seminar activities. Perhaps more participation in committee work and conferences specifically directed to outlook is worth exploring. More can probably be done to facilitate an easy exchange of subject-matter materials of common interest.

By far the greatest problem is that of finding ways for more participation by State people, both research and extension, in the development of regional and national outlook information. Local and regional aspects and the supply side of outlook are often underemphasized. More joint work between the research and extension workers of the several major type-of-farming regions and between them and Department workers would do much to overcome this underemphasis and otherwise improve agricultural outlook information for farmers.

#### CONCLUDING REMARKS

By M. L. Wilson

Extension feels that its function is to carry on educational work which involves the making available to all farm people of information that will be helpful to them in their life as farmers, as producers, and as members of the community in which they live. In doing this we are, of course, interested in using all kinds of educational media and techniques that may be found to be effective. And, too, we feel that planning in relation to programs is a definite function of Extension. We are becoming more scientific in this field through the application of the practical principles of cultural anthropology. This is a major development in science in that the emphasis is upon ascertaining what people think, how they come to think the way they do, what their ideas are, and what information and other educational assistance will be most helpful to them.

This is the golden opportunity for agricultural extension work in agricultural policy. The situation could hardly be more nearly perfect than it is now. Agricultural policy is of interest to every farmer. He is going to talk about a great many policy issues as a part of his normal, everyday activities. Even in view of the fine work of the Noble Clark committee, there are not many States that have given a high priority to this work.

In connection with the outlook, as I see it, we need to have some sessions on the development of individual farm and home planning. I wish we could arrange for a joint project in which you (BAE), we here, and an interested State would join in cooperative work for a "pilot" county. I feel that further discussion along this line could be very profitable.

I think there are also possibilities for closer cooperation in the analysis of agricultural problems and ways of doing a more effective job in Extension. For example, the study carried on in Vermont has great significance. In this, as in many other fields, the Extension Service and BAE have many interests in common.

